

## Message Text

PAGE 01 STATE 170424

21  
ORIGIN EB-07

INFO OCT-01 EUR-12 NEA-10 IO-10 ISO-00 FEA-01 AGR-05

CEA-01 CIAE-00 COME-00 DODE-00 FRB-03 H-02 INR-07

INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05

CIEP-01 SS-15 STR-04 TAR-01 TRSE-00 USIA-06 PRS-01

SP-02 OMB-01 XMB-02 /115 R

DRAFTED BY EB/OT/GCP:DTMORRISON:COMMERCE:BMARSH:JM

APPROVED BY EB/ITP:CWSCHMIDT

STR:HHENTGES

AGRICULTURE:RMCDONNELL

LABOR:JCOYLE

TREASURY:AGAULT(INFO)

COMMERCE:BMARSH

NEA/IAI:MSTERNER(SUBS)

----- 126394

R 182339Z JUL 75

FM SECSTATE WASHDC

TO AMEMBASSY TEL AVIV

INFO USMISSION EC BRUSSELS

USMISSION GENEVA

USDEL MTN GENEVA

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E.O. 11652: N/A

TAGS: ETRD, IS

SUBJECT: GSP: DISCUSSIONS WITH ECONOMIC COUNSELOR RAFF

REFS: STATE 168085, TEL AVIV 4549

1. ON JULY 18, SCHMIDT (EB/OT), HENTGES (STR), MARSH (COMMERCE) AND MORRISON MET WITH ISRAELI ECONOMIC COUNSELOR RAFF AND ECONOMIC OFFICER EVEN-ZOHAR TO DISCUSS UNRESOLVED ISSUES RELATING TO GOI ASSURANCES NEEDED TO MEET SECTION  
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PAGE 02 STATE 170424

502(B)3 REQUIREMENTS FOR GSP ELIGIBILITY.

2. SUBSTANCE OF US PRESENTATION IS CONTAINED IN NOTES OF MEETING REPORTED BELOW, COPY OF WHICH HAS BEEN SUPPLIED TO

ISRAELI EMBASSY.

3. RAFF EXPRESSED GOI'S CONCERN THAT PROCESS OF GIVING ASSURANCES MIGHT BECOME PATTERN OF CONTINUOUS NEGOTIATION BETWEEN USG AND GOI. (HE WAS ASSURED THAT THIS WAS NOT US INTENT WHICH WAS SIMPLY TO WRAP UP LOOSE ENDS LEFT BY JUNE 24-27 CONSULTATIONS.) RAFF AGREED TO CONVEY US COMMENTS TO NEDIVI TO SEE WHAT MORE MIGHT BE DONE. HE NOTED THAT NEDIVI HAD ALREADY MADE EXCEPTIONAL EFFORT, WITHOUT SUCCESS, ON US REQUEST FOR INCLUSION OF ITEM 24.02.1000. HE ADDED THAT DELAY IN DECISIONS ON EIGHT ITEMS WHICH NEDIVI VIEWS AS LIKELY TO BE INCLUDED IN PRODUCT LIST AT LATER TIME REFLECTS FACT THAT DECISIONS INVOLVE OTHER AGENCIES (E.G., FINANCE, AGRICULTURE). TEXT OF US NOTES ON MEETING FOLLOWS

BEGIN TEXT: ON JULY 18, 1975, US REPRESENTATIVES MET WITH ISRAELI EMBASSY REPRESENTATIVES AND PRESENTED THE FOLLOWING CONCERN ABOUT UNRESOLVED ISSUES WITH RESPECT TO ISRAELI ASSURANCES RESULTING FROM CONSULTATIONS HELD IN WASHINGTON, JUNE 24-27, 1975.

A. NONINCLUSION OF THE FOLLOWING ISRAELI TARIFF HEADINGS IN THE PRODUCT LIST MENTIONED IN PARAGRAPHS 1 AND 2 OF THE DRAFT NOTE.

....48.019990  
....73.101014  
....87.045039

B. FURTHER CONSIDERATION OF INCLUSION ON THE LIST OF THE FOLLOWING TARIFF HEADINGS.

....39.011099  
....39.025071  
....84.225094  
....87.023031  
....87.023032  
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PAGE 03 STATE 170424

....87.023091  
....87.071013  
....87.071018

C. DELETION OF THE LAST SENTENCE OF PARAGRAPH 2(B) OF THE NOTE, THE 7-DIGIT AGGREGATION CRITERION.

D. US REQUEST FOR INCLUSION OF 24.02.1000 IN THE PRODUCT LIST. THE US ATTACHES PARTICULAR IMPORTANCE TO THIS ITEM. IT IS THE ONLY AGRICULTURAL ITEM ON WHICH THE US HAS REQUESTED ISRAELI ACTION.

....WITH RESPECT TO DELETION OF HEADING 24.02.1000 AND  
FURTHER CONSIDERATION OF THE EIGHT ITEMS LISTED IN (B)  
ABOVE, NONINCLUSION OF THESE ITEMS IN THE PRODUCT LIST  
WOULD RAISE A SERIOUS PROBLEM FOR THE UNITED STATES IN  
LIGHT OF THE REQUIREMENTS OF SECTION 502(B)(3) OF THE  
TRADE ACT OF 1974.

.-..WITH RESPECT TO DELETION OF TARIFF HEADING 48.01.9990,  
WE HAVE NOTED THE POSSIBLE EFFECT OF DUTY REDUCTIONS  
ON THIS CATEGORY VIS-A-VIS SUPPLIERS OTHER THAN THE  
UNITED STATES OR THE EUROPEAN ECONOMIC COMMUNITY. HOWEVER,  
THE INCREASING SHARE OF THE ISRAELI MARKET HELD BY THE  
EEC AND THE FALLING US SHARE MAKES INCLUSION OF THIS ITEM  
PARTICULARLY IMPORTANT. IF THE ITEM IS INCLUDED ON THE

LIST NOW, AT SUCH TIME AS AN ISRAELI DUTY REDUCTION ON  
THIS CATEGORY WOULD OTHERWISE BE REQUIRED BY THE  
ASSURANCES CONTAINED IN THE NOTE, THE UNITED STATES  
WOULD BE PREPARED TO CONSIDER A REVIEW AS PROVIDED FOR IN  
PARAGRAPH 4 OF THE NOTE FOR POSSIBLE REMOVAL OF THIS  
ITEM FROM THE LIST, TAKING INTO ACCOUNT THE SHARE OF  
ISRAELI IMPORTS SUPPLIED BY THE UNITED STATES AND THE  
EUROPEAN ECONOMIC COMMUNITY.

....WITH RESPECT TO DELETION OF HEADINGS 87.04.5039 AND  
73.10.1014 FROM THE LIST, WE COULD RELUCTANTLY AGREE TO  
THEIR DELETION HAVING DRAWN ATTENTION TO PARAGRAPH 4 OF  
THE DRAFT NOTE, AND THE POSSIBLE NEED TO RECONSIDER  
INCLUSION OF THESE ITEMS ON THE LIST AT A FUTURE TIME.  
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PAGE 04 STATE 170424

.... WITH RESPECT TO THE GOVERNMENT OF ISRAEL'S DESIRE TO  
DELETE THE LAST SENTENCE OF PARAGRAPH 2B, SUCH DELETION  
WOULD SIGNIFICANTLY LIMIT THE EFFECTIVENESS OF PARAGRAPH 2  
IN ELIMINATING THE ADVERSE EFFECT OF PREFERENCES ON US  
TRADE. IF SUCH DELETION OF LANGUAGE IS NECESSARY FOR  
TECHNICAL REASONS, LOWERING OF THE PARAGRAPH 2B CRITERION  
OF 400,000 DOLLARS TO 300,000 DOLLARS COULD RESTORE THE  
FULL EFFECT OF ISRAELI ASSURANCES WHICH RESULTED FROM THE  
JUNE 24-27 CONSULTATIONS. KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 26 AUG 1999  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRADE AGREEMENTS, GENERALIZED PREFERENCES (TARIFFS)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE170424  
**Document Source:** ADS  
**Document Unique ID:** 00  
**Drafter:** EB/OT/GCP:DTMORRISON:COMMERCE:BMARSH:JM  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** n/a  
**Film Number:** D750250-0585  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t197507106/baaaapsw.tel  
**Line Count:** 154  
**Locator:** TEXT ON-LINE, TEXT ON MICROFILM  
**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 23 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <23 APR 2003 by ShawDG>; APPROVED <07 NOV 2003 by CunninFX>  
**Review Markings:**  

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** n/a  
**TAGS:** ETRD, IS  
**To:** TEL AVIV INFO EC BRUSSELS  
GENEVA  
MTN GENEVA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006